

BIENNIAL REPORT

of the

Public Service Commission

For Years Ending November 30, 1937
and November 30, 1938



1938

Commissioners

J. D. JAMES, *Chairman*

JOHN S. BOYER

SCOTT WILSON

JOHN A. FERGUSON

MARION S. FRANCIS

MISSOURI PUBLIC SERVICE COMMISSION

J. D. JAMES, Chairman.....Joplin
JOHN S. BOYER, Commissioner.....St. Joseph
JOHN A. FERGUSON, Commissioner.....Cape Girardeau
SCOTT WILSON, Commissioner.....Ferguson
MARION S. FRANCIS, Commissioner.....Mexico

ROBERT E. HOLLIWAY, Secretary.....Jefferson City
JAMES H. LINTON, General Counsel.....Lexington
S. B. NELSON, Chief Engineer.....Kansas City
GEORGE B. COLEMAN, Chief Accountant.....St. Louis
R. E. DUFFY, Chief Electrical and Mechanical
Engineer.....Greenfield
W. A. WEEKS, Chief Rate Expert.....Hannibal
JOHN C. HIGHBERGER, Supervisor of Motor Bus
and Truck Department.....Kansas City

LETTER OF TRANSMITTAL

STATE OF MISSOURI PUBLIC SERVICE COMMISSION

Jefferson City, Mo.,
January 9, 1939.

To His Excellency, Lloyd C. Stark, Governor of Missouri:

Dear Sir: I have the honor to transmit the Biennial report of the Public Service Commission of Missouri, covering the period from November 30, 1936, to November 30, 1938, inclusive.

Very respectfully yours,

J. D. JAMES,
Chairman.

STATE OF MISSOURI

BIENNIAL REPORT FOR THE YEARS 1937 AND 1938 OF THE PUBLIC SERVICE COMMISSION

The Public Service Commission, during the biennial period ending November 30, 1938, issued 5,082 orders, reduced utility rates \$2,528,000 and completed appraisals of utility properties with a reproduction cost in excess of \$125,100,000.

The Commission also completed audits of utility properties with a property investment in excess of \$84,200,000.

Through the Bus and Truck Department a total of \$1,011,-955.00 was collected for the support of the State Highway fund. This represented a substantial increase over collections during the previous biennium. An additional \$104,000 in license and emergency fees has been impounded because payment of the fees was questioned in an injunction suit filed in the Federal Court by 75 interstate motor carriers. A three-judge Federal Court has held that the State is entitled to these fees and a stipulation for payment thereof is now pending.

At the close of the biennial period the Bus and Truck Department was regulating and supervising 1,012 truck companies and 72 bus lines. This was a reduction of 79 truck operators during the period and an increase of 4 bus operators.

In the administration of the general Public Service Commission Law 381 new cases were filed and a total of 470 orders issued.

Under the direction of the Commission audits were completed of the Kansas City Power and Light Company of Kansas City, the Springfield Gas and Electric Company of Springfield, and the Capital City Water Company of Jefferson City.

Security issues totaling \$182,018,349 were investigated and authorized by the Commission during the period. The authorized issues were provided as follows:

Bonds.....	\$141,540,800
Notes.....	18,155,400
Preferred Stock.....	14,455,000
Common Stock.....	7,867,000

This was an increase in security issues of 64 per cent over the previous biennial period and an increase of 464 per cent over the 1933-1934 period.

In passing on security issues of Missouri utilities the Commission has worked in complete harmony with the Securities and Exchange Commission. The same spirit of cooperation has existed between the Commission and other Federal bodies in all questions where Missouri and other states are involved. These negotiations have been carried on with the Federal Power Commission, the Federal Communications Commission and the Interstate Commerce Commission.

The Commission is now represented upon 24 joint boards of the Federal Bureau of Motor Carriers. During the period just closed the Commission's representatives participated in approximately 300 cases involving applications filed by motor carriers to operate over Missouri highways.

The reduction in utility rates effected through the Commission covered \$2,469,652 for electric companies, \$52,370 for telephone companies, while water rates were decreased \$6,081.

The Commission continued its efforts to bring straight natural gas to the City of St. Louis and, during the period, the Commission directed its engineers to make a study of the natural gas system of several large cities. Hearings were resumed during 1938 involving the feasibility of St. Louis being furnished with straight natural gas. The Commission plans to hold the final hearing in this case during the latter part of January, 1939.

Under the direction of the Commission, appraisals of the properties of the Kansas City Power and Light Company, Springfield Gas and Electric Company, Kansas City Gas Company, Kansas City Exchange of Southwestern Bell Telephone Company, Capital City Water Company of Jefferson City, and the Raytown Water Company of Raytown were completed.

The Commission, through its Engineering Department, is now engaged in appraising the properties of the Southwestern Bell Telephone Company, covering the City of St. Louis and 86 exchanges. The Commission also is appraising properties owned by the telephone company in an additional 475 towns and communities.

Other appraisals being conducted by the Commission at the present time cover the properties of the St. Louis County Gas Company and the Southeast Missouri Telephone Company. The

properties of the Southeast Missouri Telephone Company embrace 42 exchanges located in Southeast Missouri.

The Commission, through one of its members, was represented on the Cooperative Board of the Federal Communications Commission in hearing the application of the telegraph companies for a 15 per cent increase in rates throughout the United States. These hearings were held in Washington and resulted in denying the increase to the telegraph companies.

The Commission's engineers assisted the State Tax Commission in the appraisal of eleven oil, gas and mining properties having a total reproduction cost of \$10,500,000. The Engineering Department is now working in conjunction with the Tax Commission in preparing forms for the future assessment of gas distribution systems.

The Commission has directed the Engineering Department to make a complete study of all grade crossings in the State. The Engineering Department is cooperating with the Federal Bureau of Public Roads in making the survey of all grade crossings. The Commission hopes that the survey will result in the elimination of the most hazardous crossings.

Three new Commissioners were appointed during the period. J. D. James of Joplin, lawyer and former Executive Secretary to Governor Stark, was appointed a member and Chairman of the Commission, effective January 1, 1938, to succeed Sam O. Hargus of Kansas City; Scott Wilson of Ferguson, former Chairman of the State Highway Commission, was appointed a member of the Commission, effective August 15, 1938, to succeed W. M. Anderson of Harrisonville; Marion S. Francis of Mexico, lawyer, was appointed a member of the Commission, effective August 15, 1938, to succeed the late Albert D. Nortoni of St. Louis. James H. Linton of Lexington, lawyer, was appointed General Counsel for the Commission, effective March 1, 1938, to succeed James P. Boyd of Paris.

During the period A. J. Snedeker, Supervisor of the Bus and Truck Department, and V. E. Smart, Chief of the Transportation Rate Department, resigned to accept positions as District Supervisors under the Bureau of Motor Carriers of the Interstate Commerce Commission. They were succeeded, respectively, by John C. Highberger of Kansas City and W. A. Weeks of Hannibal.

T. C. Williams of Springfield was appointed Reporter of Opinions on December 3, 1937. He has since prepared the reports for Volumes 19, 20 and 21 of the Commission's orders

and decisions. Volumes 19 and 20 have been distributed, while Volume 21 will be ready for distribution within a few weeks.

These are the first reports to be published by the Commission since Volume 18, which was issued in 1931.

Under the direction of the Commission the Legal Department handled approximately 100 cases in the State and Federal Courts. A number of these cases were of far-reaching importance. Many of them involved interpretations of the Bus and Truck Act.

The Transportation Rate Department, during the period, received and filed 13,899 rail, bus, truck and other tariffs and supplements. At the same time the department completed the revision of the Commission's regulations providing the form and governing the construction and filing of freight tariffs of railroads, street railways, steamboat companies, motor carriers and contract haulers. This revision was started during the previous biennial period and was completed and approved by the Commission in June, 1937, after public hearings.

The Commission also initiated a general investigation of rates and charges of contract haulers. A number of hearings have been held in connection with this investigation.

Detailed reports of the various departments follow:

ENGINEERING DEPARTMENT

During the past two years this department has completed appraisals of utility properties having a cost of reproduction in excess of \$125,100,000. These properties are as follows: Springfield Gas and Electric Company, Kansas City Gas Company, Kansas City Exchange of Southwestern Bell Telephone Company, Capital City Water Company, Raytown Water Company, and the Kansas City Power and Light Company.

After a study of the appraisals filed by the Commission Engineers and the Engineers for the Kansas City Power and Light Company, and the audit of the Commission's Accounting Department, in the Kansas City Power and Light Company valuation and rate case, the Commission, through informal conferences, obtained an immediate reduction of \$1,005,000 in rates for electricity to the Missouri customers of that company pending the hearing and final determination of said case. The case has been heard and is now pending final disposition before the Commission.

The Department is now engaged in making appraisals of all of the Missouri properties of the Southwestern Bell Telephone Company, the Southeast Missouri Telephone Company, and the St. Louis County Gas Company.

During the biennium, the Department has assisted the State Tax Commission in the preparation of the cost of reproduction appraisals of eleven oil, gas, and mining properties, in the amount of \$10,500,000, and is now working in conjunction with the Tax Commission in drafting forms on which future assessments of gas distributing companies are to be reported to the assessing authorities.

The Department has continued its investigation of the practicability and feasibility of distributing straight natural gas in St. Louis. A report on the subject prepared by Company's engineers has been filed with the Commission by The Laclede Gas Company for study by this department. A further hearing in this proceeding will be held on January 25, 1939.

During the biennium ended November 30, 1938, the Commission, through this Department, made investigations, and issued reports and orders in fifty-five cases, permitting the following changes at grade crossings in the State:

New grade crossings established	28
Viaducts constructed over tracks	9
New viaducts replacing old viaducts	1
Subways constructed under tracks	4
Grade crossings eliminated by viaducts or subways	9
Grade crossings eliminated by change of road	21
Grade crossings provided with special protection	5

The Commission requires railroads to submit complete information to this Department regarding all fatal grade crossing accidents. Twenty-seven special reports, consisting of maps of the railroad and highway at the site of the accident, photographs of the crossings, traffic surveys, and other information, were submitted and studied by this Department to determine the necessity of grade protection or of grade separations.

An analysis of the grade crossing accidents reported to the Commission during the biennium is as follows:

GRADE CROSSING ACCIDENTS

	Killed	Injured	Total
Train striking vehicle.....	98	158	256
Vehicle striking train.....	13	97	110
Total.....	111	255	366
Vehicles striking track cars (other than trains)...	2	1	3
Train striking vehicle at private crossings (2)....	2		

For several years the Commission has noted that grade crossing accidents have been increasing. This has been due, possibly to the higher speed of automobiles, and an increase in automobile traffic over the State highways. The Commission has decided to make a study of the grade crossings within the State, and the Engineering Department is now working in conjunction with the U. S. Department of Agriculture, Bureau of Public Roads, in making a survey of all grade crossings in the State. On completion of this survey, it is hoped that recommendations may be made that will eliminate the most hazardous crossings. Close cooperation is maintained at all times with the State Highway Commission in the matter of grade crossing protection and elimination.

Compilation of information on all accidents reported to the Commission occurring on steam and electric railways during the biennium ending November 30, 1938, discloses the following:

ACCIDENTS DURING 1937 AND 1938

	Steam.		Electric.		Total.	
	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.
Passengers.....	0	176	4	2,103	4	2,279
Employees.....	26	603	1	6	27	609
Trespassers.....	147	149	1	0	148	149
*Non-trespassers.....	130	372	44	1,425	174	1,797
Totals.....	303	1,300	50	3,534	353	4,834

*Includes grade crossing accidents.

In connection with the Department's studies in the regulation of railroads, the following investigations were made in the field:

	Cases.	Structures or Crossings involved in inspection.
Terminal facilities.....	5	62
Track clearances.....	6	29
Bridges and grade separation structures.....	2	2
Grade crossings—6 towns.....	6	18
*Equipment, roadbed, etc., street railway, (Electric).....	3	3
Traffic checks with view of eliminating hazardous conditions and providing mechanical arrestive devices at grade crossings: Sullivan, St. James, and Rolla.....	3	8

*Inspector riding equipment on lines involved 21 cars.

In addition to the above investigation, the Department attended hearings in thirty-seven cases in which the railways proposed to discontinue open agency stations, or discontinue caretaker service. Further assistance was given in connection with thirty-two other cases, five of which involved the abandonment of tracks by electric railways, nine of track abandonment by steam railways, three pertained to train service, and fifteen were clearance cases.

This Department reviewed and approved plans for the installation of an interlocker at Thomure, and for changes of interlocking and signal systems at Clark, Armour, Mexico, Kansas City, West Quincy, Mark, St. Louis (3), Ustick, and Machens.

The Department has further duties pertaining to (1) all matters relating to street railway traffic studies and services; (2) all matters relating to the service offered by railroad companies at railroad stations; (3) all drainage investigations in connection with railway stream crossings; (4) introduction of testimony and assistance in examination of witnesses in all matters of appraisal work, and other engineering problems; (5) assistance in the preparation of reports involving engineering problems, and appraisals of property for rate-base purposes.

Summarizing briefly, during the biennium ended November 30, 1938, this Department wrote reports and recommendations in one hundred and twenty-four cases, and handled correspondence relative to numerous complaints as to grade crossings, station service, value of property in various forms, and other matters relating to the valuation of utility properties.

The personnel of this Department consists of forty-seven engineers, six stenographers, one clerk, and one inspector, under the supervision of the Chief Engineer. The Assistant Chief Engineer, an Assistant Engineer, one inspector and one clerk are assigned to the Chief Engineer's office in Jefferson City. All others are engaged directly in investigations and appraisals of utility properties throughout the State.

ACCOUNTING AND STATISTICAL DEPARTMENT.

PERSONNEL

The personnel of this Department consists of a Chief Accountant, Assistant Chief Accountant, sixteen Assistant Accountants, one Statistician, and two Clerk-Stenographers.

AUDITS

Most of the personnel of this Department are engaged in auditing the books and records of the various utility companies. The purpose of these audits is to determine the investment, original cost, capitalization, operating revenues and expenses, and net income for use in valuation, capitalization, and rate cases. Representatives of the Department testify before the Commission and the Courts in support of the audits.

During this biennium the following audits have been completed:

Name of Company.	Property Investment.
Springfield Gas & Electric Company	\$5,629,285.55
Kansas City Power & Light Company	77,531,553.60
Capital City Water Company	1,075,841.67
Total	\$84,236,680.82

There was a special assignment on the Kansas City Gas Company, and two on The Laclede Gas Light Company during the period of this report.

The Commission contemplates evaluating all of the major telephone companies in the State, and the Department's portion of this work, coupled with supervision of security issues and other routine work, will tax the present personnel to the utmost capacity.

The audits pertaining to the telephone business in the State will extend into the biennium ending December 31, 1940, and will embrace a large majority of the telephones in Missouri. At this time the Department is auditing the accounts of the Southwestern Bell Telephone Company, the Southeast Missouri Telephone Company, and on January 1, 1939, began an audit of the accounts of the St. Louis County Gas Company.

Internal audits are also required from time to time in some of the departments of the Commission.

The Department is frequently called upon to check the records of Bus and Truck operators, and increased activities may necessitate the assignment of an Accountant to the Department.

SECURITY ISSUES.

The Department investigates the feasibility of granting authority to issue securities, is represented at hearings, and advises with the Commission on such cases. The following issues were authorized during the period of this report:

(See table on following page)

**DETAIL OF ALL AUTHORIZATIONS TO ISSUE STOCKS, BONDS, AND NOTES UNDER THE PUBLIC SERVICE COMMISSION LAW
FROM DECEMBER 1, 1936 TO NOVEMBER 31, 1938.**

Case Number.	Name of Company.	Class of Security.	Amount Authorized.	Date of Authority.
9283	Missouri Power and Light Company.....	Bonds.	\$9,000,000.00	12- 3-36
9283	Missouri Power and Light Company.....	Preferred Stock	1,455,000.00	12- 3-36
9292	Missouri Gas and Electric Service Company.....	Common Stock	873,042.00	12-23-36
9293	Missouri Gas and Electric Service Company.....	Bonds	1,476,630.00	12-23-36
9306	Vandalia Union Switchboard Company.....	Notes	10,000.00	2-12-37
9341	Springfield City Water Company.....	Bonds	500,000.00	3- 7-38
9345	Kansas City Public Service Company.....	Bonds	14,887,200.00	5-25-37
9345	Kansas City Public Service Company.....	Common Stock	6,909,628.80	5-25-37
9348	Missouri General Utilities.....	Notes	112,000.00	6-16-37
9354	Cass County Telephone Company.....	Bonds	52,000.00	6-26-37
9362	Union Electric Company of Missouri.....	Bonds	80,000,000.00	6-22-37
9362	Union Electric Company of Missouri.....	Notes	15,000,000.00	6-22-37
9387	St. Joseph Railway, Light, Heat and Power Company.....	Bonds	5,625,000.00	12-14-37
9387	St. Joseph Railway, Light, Heat and Power Company.....	Notes	2,375,000.00	12-14-37
9423	Huntsville Telephone Company.....	Notes	5,000.00	10-19-37
9473	Joplin Water Works Company.....	Notes	107,000.00	2-10-38
9475	Kansas City Public Service Company.....	Notes	110,000.00	1-15-38
9534	Kansas City Public Service Company.....	Notes	358,525.00	5- 2-38
9535	I. Eugene Lyons and Winona Lyons.....	Notes	14,100.00	5-13-38
9550	Missouri Union Telephone Company.....	Notes	27,000.00	8-17-38
9554	Southwestern Bell Telephone Company.....	Bonds	30,000,000.00	6-18-38
9583	C. E. Cooper.....	Notes	1,700.00	8- 9-38
9587	Eldorado Springs Telephone Company.....	Common Stock	15,000.00	9-28-38
9604-5	Noel and Goodman Telephone Companies.....	Note	2,600.00	8-30-38
9619	Potosi Telephone Company.....	Notes	14,000.00	10-26-38
T-6179	Byers Transportation Company.....	Common Stock	19,420.00	7- 8-38
T-6209	Plaza Express Company.....	Common Stock	50,000.00	6-21-38
B-6246	Ferguson-Wellston Bus Company.....	Notes	3,583.37	7-19-38
B-6413	Ferguson-Wellston Bus Company.....	Notes	14,920.00	10-18-38
9638	Union Electric Company of Missouri.....	Preferred Stock	13,000,000.00	11-21-38
	Total.....		\$182,018,349.17	

RECAPITULATION.

Bonds.....	\$141,540,830.00
Notes.....	18,155,428.37
Preferred stock.....	14,455,000.00
Common stock.....	7,867,090.80
Total	\$182,018,349.17

The amount of stock, bond, and note issues authorized in this biennium was 64 per cent greater than in the 1935-36 period, and 464 per cent greater than in the 1933-34 period. Of the total amount of security issues shown above, the sum of \$99,556,633.20 was refunding issues, while the sum of \$82,461,715.97 represents entirely new money. This amount of new money, representing additions and extensions to utility property, is substantially in excess of that authorized in any biennium in the past decade, and is an important index of business recovery.

The Commission continued to enjoy its exemplary record in the small number of defalcations in bond interest by Missouri public utilities, which is indicative of the soundness of the policy of carefully regulating security issues.

ANNUAL REPORTS.

There are approximately 1500 utilities that are required to submit Annual Reports to the Commission each year. Included in this group are Electric, Gas, Water, Heating, Telephone, Telegraph, Street Railway, Railroad, Bus and Truck Companies. Annual Reports are carefully checked for accuracy, after which analyses are made to ascertain the rate of return, and other pertinent operating data.

BUDGET.

This Department is entrusted with keeping the Commission advised as to the status of the appropriations in the three funds under which it operates. The Fees Earned Fund returned an amount to the General Revenue Fund this biennium which was 63 per cent greater than the amount returned the previous biennium.

The fees collected during the period, excepting those collected in the Bus and Truck Department, are as follows:

Audits and appraisals (salaries and expenses)	\$392,285.49
Authority fees	20,003.59
Miscellaneous collections	10,142.26
Total	\$422,431.34

OTHER REGULATORY COMMISSIONS.

The number of Federal and other Commissions that contact this Department for accounting and statistical information has increased during the period of this report.

Through cooperation with the Federal Power Commission, Federal Communications Commission, and Bureau of Motor Carriers of the Interstate Commerce Commission, those bodies have prescribed modern Uniform Systems of Accounts, which have been adopted in the interest of uniformity to supersede systems prescribed by this Commission. Other systems recently prescribed by certain Federal regulatory bodies are being studied and will be adopted if practicable.

The Department is also cooperating with the Securities & Exchange Commission, the Motor Carriers Bureau of the Interstate Commerce Commission, and the Rural Electrification Administration in matters of mutual interest, and is now being called upon by the National Association of Railroad and Utilities Commissioners for recommendations regarding certain accounting procedures.

STATISTICS.

During the biennium the Department has furnished a considerable amount of statistical data to educational institutions, municipalities, investment houses, public officials, and individuals.

The Department has been reinforced with sufficient personnel to produce long contemplated statistical publications, and proposes to compile and issue them during the biennium ending December 31, 1940.

THE ELECTRIC, WATER, GAS, TELEPHONE, TELEGRAPH AND STEAM HEATING DEPARTMENT

The personnel of this Department consists of the Chief of the Department, clerk and stenographer.

The work of the Department covers:

(a) The keeping of an accurate official record of the rates charged by all privately owned utilities furnishing gas, electric, telephone, telegraph, steam heating and water service in this State.

(b) Attention to correspondence and verbal requests for information on matters pertaining to the rates charged and service furnished by gas, electric, telephone, telegraph, steam heating and water utilities.

(c) Adjustment of correspondence complaints involving gas, electric, telephone, telegraph, steam heating or water service.

(d) The filing of the schedules of rates, rules and regulations of gas, electric, telephone, telegraph, steam heating and water utilities, and keeping of a record showing the increase or decrease in the annual gross revenue that will result from the application of the new schedules.

(e) General inspection of equipment and test of service meters.

(f) General supervision of the quality of equipment of gas, electric, telegraph, telephone, steam heating and water utilities insofar as the public interest, public health and safety of the public and employees are concerned.

(g) Attending hearings, offering testimony and making investigations when necessary, in matters before the Commission involving permits for electric transmission lines, inductive interference controversies and transfers of utilities, the filing of rate schedules, and other formal cases before the Commission relating to standards, adequacy and extension of utility service and the charges for such service, in which sales of utility property were involved, and the amount of securities or liens that the prospective purchasers or other owners were asking to make.

(h) Making studies and surveys of the conditions surrounding the extension of electric lines in order that service may be extended to rural areas throughout the State. This work has required particular attention concerning the type of line that

may be adequate for rendering the service, but at the same time encourage the construction by the use of that type of line that can be constructed at the lowest cost.

During the biennial period 5,054 letters and 168 reports and orders have been written. In addition to writing the letters, it is necessary to collect information and data, and make copies of enclosures to be sent with the letters. During the period covered by this report 1,104 schedules of rates, rules and regulations were filed. Also 152 hearings and conferences were attended.

Reductions in utilities' annual gross revenues resulting from the filing of new schedules, are shown in the table below:

	From Nov. 30, 1936, to Nov. 30, 1938.
Electric	\$2,469,852.33
Water	6,081.00
Telephone	52,370.00
Total	\$2,528,303.33

There have been no major gas rate investigations completed during this biennial period. The increases in the rates for gas service, amounting to approximately \$16,000, were largely due to the necessity of some of the small gas distributing systems having to secure their gas from the deep field gas pipe line systems rather than from the local shallow fields. The shallow fields failed to give sufficient quantities of gas to supply the communities served, so it became necessary to make connection with the large pipe lines. This resulted in an increase in the cost of the gas purchased for distribution and was in turn reflected in the rates for the service. With the exception of that and increases allowed in telephone rates amounting to some \$2,000 annually for telephone service furnished in two small towns rates for all other classes of service have continued to decrease and are now lower than at any previous time. Of course, continued increase in the use of electricity through use of additional facilities purchased by the customers, and new types of appliances for the use of electricity, have encouraged the continued growth of that kind of service.

Our records show that there are no serious water problems existing at this time, so far as the quality and supply of water is concerned. All privately owned utilities apparently have systems with adequate capacity for treating the water supply, and distribution mains are ample to supply service under satisfactory conditions.

It may be added that during the latter part of this biennial period there have been a number of the smaller communities in which telephone property has been converted from magnet to common battery. The records in those cases show a very large percentage of the public served desired the change in the service, even though the rates to be charged were higher than for the other type of service. There has been a continual trend downward in the cost added to telephone bills for furnishing of service through the handset, and arrangements are now being made by the larger telephone companies, such as the Southwestern Bell Telephone Company, to remove the extra charge for the handset entirely after July 1, 1939. The independent telephone companies are trending that additional charge downward also.

TRANSPORTATION RATE DEPARTMENT

The general supervision of the Commission's activities in the administration of the various laws pertaining to the rates, fares, charges, rules, regulations and practices of steam and electrical railroad, street railroad, express, sleeping car, motor bus and motor truck companies is assigned to this department.

The personnel of the department consists of a chief rate expert, who supervises the department, one railroad rate expert, one motor carrier rate expert, and one stenographer-clerk.

During the period of this report, there have been received by this department for filing 13,899 rail, bus, truck and other tariffs and supplements. Each of these documents must be carefully scrutinized to see that they comply with the rules and regulations of this Commission as to form and in a measure to determine their lawfulness. Tariff schedules that do not comply with the Commission's rules and regulations are rejected and those containing rates, fares, or any provisions that are deemed unlawful are suspended and assigned for investigation by the Commission.

In addition to the tariffs filed for Missouri intrastate application, this department also maintains an extensive file of interstate

tariffs published by railroad, bus, truck, express and sleeping car companies applicable to interstate transportation, for the information of the public, from which information is given to other state departments, and are also used for comparative purposes in proceedings before this Commission and the Interstate Commerce Commission involving the reasonableness or lawfulness of rates and charges.

This department analyzes the statistics submitted by various carriers to this Commission and to the Interstate Commerce Commission to keep informed as to transportation conditions in Missouri, surrounding states, various rate territories, and in the United States as a whole.

RATE LEVELS.

At the close of this biennial period the rates and charges of motor carriers remain on approximately the same level in Missouri as during the previous biennial period. The freight rates of the railroads have been generally increased as the result of the rail carriers' petition filed with this Commission for authority to increase their charges on Missouri intrastate traffic similar to those authorized by the Interstate Commerce Commission in "General Commodity Rate Increases, 1937, Ex Parte 115". The increases were applicable to the so-called heavy basic commodities, such as coal, lime, cement, etc. The increases are in varying amounts and it is impossible in this report to set out a per cent of increase or the amounts of the increase in cents per hundred pounds. The increases authorized as a result of this proceeding, Case 9452, were the same as those authorized by the Interstate Commerce Commission for application on interstate traffic with the exception of the rates on slack coal from the Rich Hill and Clinton Groups to Kansas City, Missouri, on which the increase was limited to 5c per ton.

In addition to the increases referred to above, the rail carriers filed another petition with the Commission requesting a general increase of 15 per cent on all freight rates and as a basis in support of this additional increase, it was alleged, among other things, that the revenue of these carriers was insufficient due to the general wage increases and increases in the cost of materials and supplies, to give them an adequate return on their investment. In Case No. 9472, this Commission denied the request for an increase of 15 per cent in rates and charges but

permitted certain rates and charges to be increased 10 per cent. In permitting such increases, all effective increases accomplished under the authority of the decision last above cited were taken into account and considered as a part of the increases permitted in this proceeding so there should not be cumulative increases.

The Pullman Company, in Case 9476, sought and was granted an increase of 10 per cent in all sleeping and parlor car rates, fares, and charges.

During the past year, the Railway Express Agency, Inc., filed a petition with this Commission seeking authority to revise their rate structure which will provide a reduction in charges for handling light weight packages and an increase in the charges for handling heavy shipments. The Railway Express Agency, Inc., allege because of increased operating costs, it is necessary they receive an increase in revenue and that the revision proposed by them will provide the additional revenue needed. This petition has not been acted upon by the Commission.

This department has completely revised and brought up to date the Commission's regulations providing the form and governing the construction and filing of freight tariffs of rail corporations, street railway corporations, steam boat companies, motor carriers and contract haulers. This revision was started during the last biennial period and submitted to and approved by the Commission in June 1937 after public hearing.

The passenger tariff rules have been revised and submitted by the department to the Commission.

During this biennial period, the Commission has received and disposed of 687 applications seeking authority to establish rates under emergency conditions upon less than statutory notice and filing.

There have been 35 investigation and suspension proceedings, 32 of which have been disposed of and 3 pending.

There was instituted upon the Commission's own motion a general investigation of the rates and charges of contract haulers. Hearings have been held; however, a decision has not been rendered.

There have been 5 formal cases filed attacking the rates, fares, charges, or services of carriers, 3 of which have been disposed of and 2 are pending.

During this reporting period this Department by direction of the Commission has participated in a number of proceedings

before the Interstate Commerce Commission in connection with both rail and motor transportation. Six of these proceedings have not been disposed of and will require additional work by this Department.

STREET RAILWAYS.

The weekly pass for street car service in Kansas City has been in use throughout this biennial period and its use by the public indicates its popularity. The shopper's ticket is still provided for St. Louis street car riders.

The following tables contain data concerning railroad abandonments in Missouri during this period, also the mileage of various railways operating in Missouri as of December 31, 1937:

RAILROAD ABANDONMENTS.

RAILROAD ABANDONMENTS IN MISSOURI DURING THIS PERIOD WERE AS FOLLOWS:

Railroad.	From	To	Miles.	I.C.C. Docket.
Chicago, Burlington & Quincy R. R.	Koyle, Iowa.	Cainsville, Mo.	20.59	11876, unreported
Chicago, Burlington & Quincy R. R. and Wabash Ry. Co.	Joint interchange track near	Maryville.	1,967 Ft.	11783, 224 I.C.C. 785
Chicago, Rock Island and Pacific Ry.	De Ballviere Avenue Lack	land Junction, St. Louis		
		County.	6.65	10972, 224 I.C.C. 135
St. Louis-San Francisco Ry. Co.	Williamsville.	Hunter.	21.30	11969, unreported
St. Louis-San Francisco Ry. Co.	Hunter.	Chicopee.	13.20	11969, unreported
St. Louis-San Francisco Ry. Co.	Hunter.	Grandin.	6.12	11969, unreported
St. Louis-San Francisco Ry. Co. and St. Louis Southwestern Ry. Co.	Joint connecting track at	Blazer.	1,106 Ft.	11914, 224 I.C.C. 639
St. Louis Southwestern Ry. Co.	Wyatt.	Birds Point.	5.27	12104, unreported
Shelby County Railway Co.	Shelbina.	Shelbyville.	8.5	11853, 224 I.C.C. 459
Shelby Northwestern Railway Co.	Shelbyville.	Novelty.	21	11854, 224 I.C.C. 462

THE FOLLOWING APPLICATIONS TO THE INTERSTATE COMMERCE COMMISSION FOR AUTHORITY TO ABANDON ARE PENDING AT THE TIME OF THIS REPORT:

Railroad.	From	To	Miles.	I.C.C. Docket.
Chicago, Rock Island and Pacific Ry.	Altamont.	Stillings.	67.47	11888
Missouri Pacific Railroad Co.	Carthage Jct.	Asbury.	17.8	12204
Missouri Pacific Railroad Co.	Part of Creve Coeur Branch	in St. Louis County.	2	12206
Quincy, Omaha & Kansas City R. R. Co.	Milan.	Kansas City.	143.64	12229

MILEAGE OF STEAM AND ELECTRIC RAILWAYS AND CITY STREET RAILWAYS OPERATED IN MISSOURI ON
DECEMBER 31, 1937.

MILEAGE OF CLASS I RAILROADS IN MISSOURI.

Railroad.	Miles of road.	Miles of second main track.	Miles of all other main tracks.	Miles of pass- ing tracks, crossovers and turnouts.	Miles of way switch- ing tracks.	Miles of yard switch- ing tracks.	Total.
The Alton Railroad Co.	252.62	24.66	.....	43.66	20.53	32.78	374.25
The Atchison, Topeka and Santa Fe Ry. Co.	309.25	200.39	15.59	71.07	44.67	38.81	679.78
Chicago, Burlington & Quincy R. R. Co.	1,107.94	129.61	.....	105.44	101.65	245.81	1,690.45
Chicago Great Western R. R. Co.	101.24	3.61	.....	15.68	10.09	20.74	151.36
Chicago, Milwaukee, St. Paul & Pacific R. R. Co.	147.63	44.06	11.92	22.80	17.98	63.86	308.25
Chicago, Rock Island and Pacific Ry. Co.	595.06	86.51	10.74	70.94	44.17	101.22	908.64
Illinois Terminal R. R. Co.	3.29	3.09	.....	.....	.....	10.52	16.90
The Kansas City Southern Ry. Co.	201.16	10.50	.....	37.92	25.97	74.15	349.70
Missouri and Arkansas Ry. Co.	69.10	.....	.....	7.10	.54	5.03	81.77
Missouri-Illinois R. R. Co.	99.73	.....	.....	8.50	22.23	12.16	142.62
Missouri-Kansas-Texas R. R. Co.	470.22	28.29	.....	65.84	51.61	56.74	672.70
Missouri Pacific R. R. Co.	1,582.21	211.92	1.50	222.13	155.01	440.89	2,613.66
St. Louis-San Francisco Ry. Co.	1,558.01	60.31	.....	192.92	135.42	250.89	2,197.55
St. Louis Southwestern Ry. Co.	230.24	23.25	.....	36.39	17.93	36.95	344.76
Union Pacific R. R. Co.	2.16	1.53	.....	6.05	.....	21.12	30.86
Wabash Railway Co.	645.27	83.46	13.38	99.01	66.05	127.44	1,034.62
Totals.	7,375.13	911.19	53.13	1,005.45	713.85	1,539.11	11,596.87

SMALL ROADS AND SWITCHING AND TERMINAL COMPANIES
IN MISSOURI MILEAGE.

	Average Mileage
SMALL ROADS (Steam)	
Bevier and Southern Railroad Company.....	7.65
Cassville and Exeter Railway Company.....	4.70
Hannibal Connecting Railroad Company.....	2.90
Kansas City Connecting Railroad Company.....	4.80
Missouri-Illinois Bridge and Belt Company.....	3.54
Missouri Southern Railroad Company.....	69.56
Quincy, Omaha & Kansas City Railroad Company.....	246.93
Rockport, Langdon and Northern Ry. Company.....	5.65
Shelby Northwestern Railway Company.....	21.50
Shelby County Railroad Company.....	8.50
St. Louis and Hannibal Railroad Company.....	50.80
St. Louis and Troy Railroad Company.....	5.20
Total.....	431.73
SMALL ROADS (Electric)	
Joplin-Pittsburg Railroad Company.....	18.33
Southwest Missouri Railroad Company.....	11.43
St. Francois County Railroad Company.....	7.68
Total.....	37.44
SWITCHING AND TERMINAL COMPANIES	
Hannibal Union Depot Company.....	.90
Joplin Union Depot Company.....	6.60
Kansas City Terminal Railway Company.....	122.71
Leavenworth Terminal Railway Company.....	1.01
Manufacturers Railway Company.....	33.20
Rock Island-Frisco Terminal.....	14.93
St. Joseph Terminal Railroad Company.....	13.74
St. Joseph Belt Railway Company.....	19.84
St. Joseph Union Depot Company.....	2.19
Terminal Railroad Association of St. Louis.....	167.94
Union Terminal Railway Company.....	24.16
Total.....	407.22

CITY STREET RAILWAYS AND EXPRESS COMPANIES.

	Average Mileage
CITY STREET RAILWAYS	
Kansas City Public Service Company.....	116.50
St. Louis Public Service Company.....	412.06
St. Joseph Ry. Light, Heat & Power Company.....	14.89
Total.....	543.45
EXPRESS COMPANIES	
Railway Express Agency, Inc.....	

LEGAL DEPARTMENT

During the biennial period ending December 1, 1938, this Department has handled approximately one hundred court cases. In addition counsel for the Commission made numerous appearances in hearings held before the Commission itself for the purpose of representing the interests of the general public. Counsel for the Commission have also served as legal advisers to the various departments and have prepared numerous legal opinions for the public, the Commission, and its departments.

The department staff has at all times been available to members of the general public seeking guidance for presentation in a proper manner applications and complaints before the Commission. Prosecuting attorneys from various sections of the State have frequently consulted the Legal Department for opinions concerning prosecutions of violations of the Missouri Bus and Truck Act.

As outstanding in the proceedings had in the various suits begun, ended or disposed of during this period, the following are among the more important ones:

CIRCUIT COURT

1. AALCO MOVING & STORAGE COMPANY, ET AL. VS. M. RALPH WALSH, PROSECUTING ATTORNEY, ET AL. Over a hundred common carriers operating in the suburban territory of the City of St. Louis, as defined in the Missouri Bus and Truck Act, brought this injunction proceeding alleging that common carriers in suburban territory are not

amenable to the aforesaid act. Upon a hearing of the issues involved in the application the circuit court denied the petition for a temporary injunction.

2. STATE EX REL. SOUTHWESTERN GREYHOUND LINES, INC., VS. PUBLIC SERVICE COMMISSION (Commission Case B-4584): Relator was granted a writ of review against an order of the Public Service Commission granting a certificate of convenience and necessity to the Missouri, Kansas and Oklahoma Coach Lines to operate over U. S. Highway No. 66 in intrastate commerce between St. Louis and Joplin. The Circuit Court of Jackson County on change of venue from Cole County affirmed the report and order of the Public Service Commission.

3. STATE EX REL. T. E. PITTMAN VS. PUBLIC SERVICE COMMISSION (Commission Case 9022): Relator T. E. Pittman, on change of venue to the Jackson County Circuit Court, is by writ of review seeking reversal of an order of the Public Service Commission requiring the Wabash Railway Company and the City of Wentzville to construct a railroad crossing at grade in that city. The case is pending a setting for argument.

4. STATE EX REL. A. W. SHEPHERD, ET AL. VS. PUBLIC SERVICE COMMISSION (Commission Case B-6147): Relators, by a writ of review to the Circuit Court of Cole County, are challenging the report and order of the Public Service Commission granting a certificate of convenience and necessity to the Frisco Transportation Company between Springfield and Seneca, paralleling their railroad line.

KANSAS CITY COURT OF APPEALS

5. STATE EX REL. ANDERSON MOTOR SERVICE COMPANY, ET AL. VS. PUBLIC SERVICE COMMISSION (Commission Case T-3786): This is an appeal from a judgment of the Circuit Court of Cole County reversing an order of the Public Service Commission granting joint and through rates to applicant Brooks Truck Company. It is returnable to the March, 1939, Term.

6. STATE EX REL. JOHN M. LIMPP d/b/a FIDELITY TRANSPORTATION COMPANY VS. PUBLIC SERVICE COMMISSION (Commission Case T-5776): Appellant seeks to reverse an order of the Commission granting a common carrier certificate of convenience and necessity to Robert S. McCammon

to operate between St. Joseph and Albany. The Commission's order held that a motor carrier using freight trucks of less than one and one-half tons carrying capacity may be given a certificate of convenience and necessity and permitted to operate larger trucks under the jurisdiction of the Commission by proving convenience and necessity.

SUPREME COURT

7. STATE EX REL. JEFFERSON HOTEL, ET AL. VS. PUBLIC SERVICE COMMISSION (Commission Case 8960): While pending on appeal, the parties stipulated that the order of the Commission holding that local telephone calls from hotel rooms in the City of St. Louis shall be at the rate of five cents per call instead of ten cents per call may be affirmed.

8. STATE EX REL. ILLINOIS GREYHOUND LINES, INC., VS. PUBLIC SERVICE COMMISSION (Commission Case 8563): The Court upheld the constitutionality of the Missouri Bus and Truck Law authorizing the Public Service Commission to require interstate common carriers to secure proper Missouri permits and pay license fees as a condition precedent to their right to use the public highways of the State of Missouri.

9. PUBLIC SERVICE COMMISSION VS. SHAIN, ET AL. (Commission Case 8966): The Kansas City Court of Appeals held that truck competition is not a proper factor for the Commission to consider in fixing coal rates on railroads. The Supreme Court after granting a writ of certiorari on final hearing quashed the writ.

10. STATE EX REL. PUBLIC SERVICE COMMISSION VS. WITTHAUS: This was an action in the Supreme Court to prohibit the circuit judge of St. Louis County from granting an injunction against Public Service Commission. The Supreme Court held that applicant for injunction was a common carrier and amendable to the Missouri Bus and Truck Act. Temporary restraining order granted against the Commission was accordingly dissolved.

11. STATE EX REL. WARD VS. PUBLIC SERVICE COMMISSION: Relator's attack upon the constitutionality of the Missouri Bus and Truck Act was declared as having been brought in the wrong jurisdiction, and the merits were therefore not adjudicated in this cause of action. The Supreme Court of

Missouri decided that circuit courts are without jurisdiction to entertain suits against the Public Service Commission except in Cole County, where the Commission is domiciled by law.

12. IN THE MATTER OF WABASH RAILWAY COMPANY (Commission Case T-318—W. P. Sutton).

13. IN THE MATTER OF WABASH RAILWAY COMPANY (Commission Case 8044—Blue Motor Transit Line, Inc.).

14. IN THE MATTER OF WABASH RAILWAY COMPANY (Commission Case 8739—M. C. Foster).

15. IN THE MATTER OF W. L. GEHRS d/b/a OZARK TRUCK LINES (Commission Case T-3537).

16. IN THE MATTER OF ORSCHELN BROS. TRUCK LINES, INC. (Commission Case T-3418).

The foregoing cases (12-16, inclusive) were actions in mandamus to compel the Kansas City Court of Appeals to take jurisdiction and decide on their merits the above respective cases transferred to the Kansas City Court of Appeals. The Supreme Court commanded the Kansas City Court of Appeals to take jurisdiction over each of these cases and decide them on their merits. Thus, for the first time since the enactment of the Public Service Commission Law in 1913, jurisdiction of its cases on appeal follow the Constitution and statutes pertaining to all other civil cases on appeal.

17. STATE EX REL. CITY OF ST. LOUIS VS. PUBLIC SERVICE COMMISSION; STATE EX REL. LACLEDE GAS LIGHT COMPANY VS. PUBLIC SERVICE COMMISSION (Commission Case 5217—Laclede rate case): Order of Public Service Commission fixing the fair value of the property at \$39,000,000.00 and ordering the filing of a new rate schedule was affirmed at the April, 1937, Term. For re-examination on several minor matters the case was remanded to the Commission. If, and when, the order of the Commission becomes final by reason of judicial decree, a rate reduction of approximately \$350,000 annually will be afforded gas consumers in the City of St. Louis.

FEDERAL COURT

18. BRASHEAR FREIGHT LINES, INC., ET AL. VS. PUBLIC SERVICE COMMISSION: Temporary injunction granted to seventy-six interstate motor carriers, who challenged

the reasonableness of the statutory fees required to be paid by all motor carriers for the use of the highways, was dissolved and plaintiffs' Bill dismissed by a Three-Judge Federal Court on August 4, 1938. Fees impounded during the period of the temporary injunction, amounting to \$104,015.43, are now payable to the State. Stipulation for payment thereof is pending.

19. **CROUCH TRANSPORTATION SYSTEM, INC., VS. PUBLIC SERVICE COMMISSION:** Temporary injunction against Public Service Commission, restraining it from taking steps to prosecute plaintiff for its allegedly illegal intrastate operations conducted in the guise of interstate commerce, dissolved and plaintiff's Bill in Equity dismissed. The Court's findings were that plaintiff was in court with unclean hands.

20. **FRANK EICHHOLZ VS. PUBLIC SERVICE COMMISSION:** Plaintiff's temporary injunction, after trial on the merits, was dissolved and its Bill in Equity dismissed. Plaintiff alleged in his Bill that the Commission was illegally interfering with his so-called interstate operations between St. Louis, Missouri, and Kansas City, Missouri, which were conducted through a terminal in Kansas City, Kansas.

On counterclaim of the Public Service Commission the Court has entered judgment in favor of the State of Missouri for \$23,314.50, being fees owing by plaintiff for the use of the State highways during the period of the temporary injunction.

INTERSTATE COMMERCE COMMISSION

21. **IN THE MATTER OF SPECIFYING IN PERMITS THE BUSINESS OF CONTRACT CARRIERS** (Cases Nos. MC 1898 and MC 88240): This was a general argument participated in by approximately fifty attorneys from different sections of the United States upon the question of the extent to which the Interstate Commerce Commission is authorized under the grandfather clause of the Federal Motor Carrier Act, 1935, to limit the scope of authority granted to interstate contract haulers. Counsel for the Public Service Commission urged that interstate contract carriers should be given no greater authority under the grandfather clause than they actually and specifically enjoyed in bona fide operation on July 1, 1935, and thereafter.

22. CROUCH TRANSPORTATION SYSTEM, INC., COMMON CARRIER APPLICATION (Case No. MC-71308): At the hearing of applicant Crouch Transportation System, Inc., for a certificate of convenience and necessity as a common carrier in interstate commerce, subject to the grandfather clause of the Federal Motor Carrier Act, 1935, Public Service Commission protested issuance of such authority on the grounds that applicant has not been in bona fide operation, for the reason that on many occasions since June 1, 1935, it has deliberately and defiantly violated the provisions of the Missouri Bus and Truck Act of 1931. Exceptions to the report and order of the Examiner recommending that a certificate of convenience and necessity be granted have been filed with the Interstate Commerce Commission at Washington, D. C.

23. IN THE MATTER OF APPLICATION OF RITEWAY MOTOR SERVICE FOR INTERSTATE CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY (BMC 61959): At the hearing of applicant Riteway Motor Service for a certificate of convenience and necessity as a common carrier in interstate commerce, subject to the grandfather clause of the Federal Motor Carrier Act, 1935, Public Service Commission protested issuance of such authority on the grounds that applicant has not been in bona fide operation, for the reason that applicant's evidence does not show continuous operations on an extensive scale as claimed by him since June 1, 1935. The Examiner hearing the case has recommended that the Interstate Commerce Commission should deny applicant authority. Final decision by the Interstate Commerce Commission is pending.

BUS AND TRUCK DEPARTMENT

There has been a slight decrease in the number of motor carriers holding certificates of convenience and necessity and interstate permits, likewise contract haulers holding permits, granted by this Commission as of December 1, 1938, but the revenue received from the motor carriers during the period of December 1, 1936, and November 30, 1938, exceeds the sum received during the previous biennium.

For the purpose of comparison, the fees collected from the motor carriers for the past two bienniums are shown in the following tabulations:

	December 1, 1934, to No- vember 30, 1936.	December 1, 1936, to No- vember 30, 1938.
Truck license fees	\$344,300.11	\$438,493.15
Truck emergency fees	474,387.45	377,911.32
Bus license fees	145,816.07	184,710.18
Bus emergency fees	13,129.27	10,841.00
Totals	\$977,632.90	\$1,011,955.65

The above fees from December 1, 1936; to November 30, 1938, do not include the amount of truck license and emergency fees paid to Roy B. Chipps, as trustee, by carriers who were parties plaintiff to the injunction suit filed by Brashear Freight Lines, Inc., et al, on May 14, 1937, which fees amount to \$104,015.43. A decree was entered in favor of the Commission by the court on September 15, 1938, but the amount has not been surrendered at this time.

Below is a comparative statement of licensed carriers as of December 1, 1936, and December 1, 1938:

TRUCK.

	December 1, 1936.	December 1, 1938.
<i>Common Carriers:</i>		
Intrastate only		
Regular	22	20
Irregular	97	101
Regular and irregular	51	35
	170	156
Interstate only		
Regular	18	16
Irregular	165	186
Regular and irregular	28	23
	211	225
Combined intrastate and inter- state		
Regular	5	3
Irregular	181	161
Regular and irregular	269	249
	455	413
	836	794

TRUCK—Continued.

	December 1, 1936.	December 1, 1938.
<i>Contract Haulers:</i>		
Intrastate only		
Regular.....	2	10
Irregular.....	22	27
Regular and irregular.....	1	2
	25	39
Interstate only		
Regular.....	5	9
Irregular.....	196	142
Regular and irregular.....	4	3
	205	154
Intrastate and interstate		
Regular.....	1	1
Irregular.....	23	22
Regular and irregular.....	1	2
	25	25
	255	218
	1,091	1,012

BUS.

	December 1, 1936.	December 1, 1938.
<i>Common Carriers:</i>		
Intrastate only		
Regular.....	40	27
Irregular.....	2	2
Regular and irregular.....	3	4
	45	33
Interstate only		
Regular.....	2	9
Irregular.....	1	2
	3	11
Intrastate and interstate		
Regular.....	6	8
Irregular.....	1	3
Regular and irregular.....	13	16
	20	27
	68	71
<i>Contract Hauler</i>		
Interstate, Irregular.....	..	1
		72

The above statement shows that there has been a reduction in the number of contract haulers from a total of 255 on December 1, 1936, to a total of 219 as of December 1, 1938. On December 1, 1937, there was a total of 228 holding authority as contract haulers. Contract Haulers are not required to pay any fees under the provisions of the Bus and Truck Law, although it is necessary to supervise their operations the same as those of common carriers, necessitating added expense in enforcement of the law without proportionate reimbursement to the State.

There has been a noticeable increase in the total of fees collected for each biennium from common carriers since the enactment of the Bus and Truck Law, as reflected in the following statement:

Biennium.	Receipts.
1931-1932.....	\$114,068.78
1933-1934.....	537,175.09
1935-1936.....	977,632.90
1937-1938.....	1,011,955.65

At the direction of the Commission an intensive campaign of inspection and for rigid enforcement of the Bus and Truck Law has been conducted throughout the State by the Supervisor and the Inspectors of the Department in conjunction with the Highway Patrol and the Weight Officers of the Highway Department. This activity resulted in the prosecution of violators of the Bus and Truck Law and a lessening of violations thereafter. The amount of fees collected in the months of July, August, September, October, and November, 1938, exceeded the amounts collected for the corresponding period in 1937, and may be credited to this united effort. The fees collected for these months are shown in the following:

	1937	1938
July.....	\$25,751.50	\$36,057.34
August.....	19,066.14	22,163.00
September.....	19,381.75	28,775.75
October.....	20,846.00	30,073.42
November.....	13,224.75	13,718.50

The use of Emergency Travel Orders having been abused by some operators, the Commission found it necessary to change the form, and to make new rules restricting the purchase, and the manner in which they are to be used. Operators are now required to paste Emergency Travel Orders on the windshield of the vehicle being operated.

A rule was also adopted to provide that vehicles being transported into or across the State, by the drive-away, towaway, or similar method, by common carriers shall carry a Drive-away Travel Order, which travel order shall also be pasted on the windshield of each vehicle. The cost of the Drive-away Travel Orders is two dollars each, with the exception that if the distance traveled is twenty-five miles or less, the fee is fifty cents for each vehicle and if the distance is over twenty-five miles and does not exceed fifty miles, the fee is \$1.00 for each vehicle. This rule became effective on September 17, 1938, and several operators who had been transporting cars without the payment of any fees, were made subject to the new requirement.

During the period from December 1, 1936, to November 30, 1938, inclusive, orders relating to motor carriers subject to the Bus and Truck Law were issued, classified as follows:

Reports and orders licensing carriers and giving additional authority.....	516
Denials.....	101
Dismissals.....	293
Transfers.....	231
Joint and through rates.....	42
Citations for revocation.....	593
Revocations.....	240
Setting aside dismissals.....	25
Rehearings.....	19
Sustaining motions.....	19
Overruling motions.....	40
Complaints.....	4
Citing to appear.....	118
Extending effective date.....	47
Setting aside revocations.....	81
Cancelling permits.....	3
Tariffs.....	6
Investigations.....	19
Suspensions.....	1,128
Reinstatements.....	927
Setting for oral argument.....	5
Ordering commission's counsel to take action.....	2
Changing name.....	14
Correction of name.....	3
Discontinuing service.....	11
Temporary permits.....	79

Granting carrier permission to self insure.....	1
Permission to purchase additional travel orders.....	1
Rearrangement of service.....	5
Permitting alternate route temporarily.....	2
Correcting orders.....	14
Order filing of time schedules.....	9
Ordering rates changed.....	2
Permission to issue stock and notes.....	4
Change from contract to common carrier.....	8
Total.....	4,612

Cases pending before the Commission December 1, 1938:

New applications awaiting hearing.....	43
Submitted on the record.....	37
Continued for hearing at a future date.....	10
Set but not heard.....	30
Approved, waiting for fees and insurance.....	4

Pursuant to the direction contained in Section 5138, Revised Statutes of Missouri, 1929, we herewith respectfully submit the above and foregoing report of the proceedings of the Public Service Commission for the preceding biennium.

J. D. JAMES, Chairman,
JOHN S. BOYER,
JOHN A. FERGUSON,
SCOTT WILSON,
MARION S. FRANCIS,
Commissioners.



Memorial to Judge Albert Dexter Nortoni

*Late Member of The
Missouri Public Service Commission.*


Albert Dexter Nortoni was born at New Cambria, Missouri, January 26, 1867, and died of a heart attack at his home in Jefferson City on May 31, 1938, while serving as a member of the Public Service Commission.

Judge Nortoni had a long and honorable career in public service. He was educated in the public Schools of Macon County, and studied law at Linneus, Missouri, under the preceptorship of the late Judge Gavon D. Burgess of the Missouri Supreme Court. He was admitted to the bar in 1889 and practiced law in North Missouri until 1903, when he was appointed an assistant United States district attorney for the eastern district of Missouri by President Theodore Roosevelt.

This was the beginning of his long public service. In the following year he was elected a member of the St. Louis Court of Appeals for a twelve year term. He was a liberal and his record as a member of this Court marked him as one of Missouri's distinguished jurists.

Judge Nortoni was originally identified with the Republican party. However, he was one of the leading organizers of the Progressive Party in Missouri in 1912, and, in that year, was the party's nominee for Governor.

He served on the New Cambria school board; was a curator of the University of Missouri, 1913-1919; curator of Forest Park University of St. Louis; member of Missouri Code Commission, 1914-1915; counsel for St. Louis Board of Free Holders, 1925-1926, and served as Circuit Judge of St. Louis, by appointment, from May 20, 1931, to January 1, 1933.



[REDACTED]

During his residence of more than thirty years in St. Louis, Judge Nortoni was one of the city's foremost leaders in civic affairs.

He was president of the New England Society in St. Louis, president of the Eugene Field Foundation for the Relief of Crippled Children, and a director of the State Crippled Children's Society. He was a member of the Missouri, American, and St. Louis Bar Associations and a member of the Presbyterian Church.

He married Maggie Lina Francis of Bevier, December 22, 1892, who died on September 30, 1894. His second marriage was to Emma T. Belcher of Columbia on July 3, 1906, who was his constant companion until his death.

Judge Nortoni was appointed a member of the Public Service Commission by Governor Park, effective April 16, 1936, and served until his death. As a member of the Commission, he served the State with honor and fidelity. The general welfare of the public always marked his official actions as a member of the Commission. It is with deep regret that his death is recorded.

●

[REDACTED]

HISTORICAL

The act creating the Missouri Public Service Commission was passed by the Forty-seventh General Assembly and became effective April 15, 1913. The bill creating the Commission was introduced by Senator William G. Busby, who later became general counsel and chairman of the Commission. The act was approved by Governor Elliott W. Major.

The act provided for a Commission of five members appointed by the Governor, with the advice and consent of the Senate. Provision was made for the Governor to designate one member as chairman.

The first appointments were on the basis of one member for two years, two members for four years and two members for six years, and, thereafter, all for six-year terms.

Appointments which have been made to the Commission follow:

FRANK A. WIGHTMAN, railroad expert, Monett, Mo., effective April 15, 1913, for term of two years, ending April 15, 1915. Resigned, effective April 24, 1915.

JOHN KENNISH, lawyer, Kansas City, Mo., effective April 15, 1913, for term of four years ending April 15, 1917.

HOWARD B. SHAW, electrical engineer, Columbia, Mo., effective April 15, 1913, for term ending April 15, 1917.

JOHN M. ATKINSON, lawyer, Chairman, Doniphan, Mo., effective April 15, 1913, for term ending April 15, 1919. Resigned, effective May 1, 1916.

WILLIAM F. WOERNER, lawyer, St. Louis, Mo., effective July 3, 1913, for term ending April 15, 1919. Resigned, effective November 18, 1914.

EDWIN J. BEAN, lawyer, DeSoto, Mo., effective November 19, 1914, to succeed William F. Woerner, for unexpired term ending April 15, 1919. Reappointed, effective April 15, 1919, for term ending April 15, 1925. Resigned, effective June 26, 1925.

EUGENE MCQUILLAN, lawyer, St. Louis, Mo., effective April 24, 1915, to succeed Frank A. Wightman, for term ending April 15, 1921.

WILLIAM G. BUSBY, lawyer, Carrollton, Mo., effective May 1, 1916, to succeed John M. Atkinson, for term ending April 15, 1919. Designated Chairman of Commission.

DAVID E. BLAIR, lawyer, Joplin, Mo., effective February 26, 1917, to succeed Eugene McQuillan and for the unexpired term ending April 15, 1921. Resigned, August 23, 1920, effective immediately.

NOAH W. SIMPSON, lawyer, LaBelie, Mo., effective April 15, 1917, to succeed John Kennish, for term ending April 15, 1923.

EDWARD FLAD, civil engineer, St. Louis, Mo., effective April 15, 1917, to succeed Howard B. Shaw, for term ending April 15, 1923. Resigned effective October 11, 1921.

JOHN KENNISH, lawyer, Kansas City, Mo., effective August 23, 1920, to succeed David E. Blair, for unexpired term ending April 15, 1921. Resigned, effective December 1, 1920.

A. J. O'REILLY, civil engineer, St. Louis, Mo., effective October 11, 1921, to succeed Edward Flad, for unexpired term ending April 15, 1923. Reappointed effective April 15, 1923.

JOHN A. KURTZ, lawyer, Kansas City, Mo., effective December 1, 1920, to succeed John Kennish, for unexpired term ending April 15, 1921. Reappointed, May 1, 1921, for term ending April 15, 1927. Designated Chairman of Commission, May 1, to succeed William G. Busby, as Chairman, resigned. Died, June 17, 1923.

HUGH MCINDOE, lawyer, Joplin, Mo., effective May 1, 1921, to succeed William G. Busby, for unexpired term ending April 15, 1925. Died, May 28, 1923.

THOMAS J. BROWN, lawyer, Charleston, Mo., effective June 13, 1923, to succeed Noah W. Simpson, for term ending April 15, 1929. Designated Chairman of Commission, effective August 30, 1924, to succeed Merrill E. Otis, as chairman who resigned effective August 15, 1924.

RICHARD H. MUSSER, lawyer, Plattsburg, Mo., effective June 16, 1923, to succeed the late Hugh McIndoe, for unexpired term ending April 15, 1925.

MERRILL E. OTIS, lawyer, St. Joseph, Mo., effective June 23, 1923, to succeed the late John A. Kurtz, for unexpired term ending April 15, 1927. Designated as Chairman of Commission on same date. Resigned, effective August 15, 1924.

ALMON ING, lawyer, Poplar Bluff, Mo., effective January 14, 1925, to succeed Merrill E. Otis, resigned, for unexpired term ending April 15, 1927. Reappointed April 15, 1927, for term

ending April 15, 1933. Designated Chairman of Commission, effective October 1, 1928, vice Thomas J. Brown, Chairman, resigned.

D. F. CALFEE, lawyer, Jefferson City, appointed January 15, 1925, to succeed A. J. O'Reilly, for unexpired term ending April 15, 1929. Appointment effective February 4, 1925.

S. M. HUTCHISON, lawyer, Kansas City, Mo., effective April 15, 1925, to succeed Richard H. Musser, resigned, for term ending April 15, 1931.

J. H. PORTER, engineer, St. Louis, Mo., effective June 26, 1925, to succeed Edward J. Bean, resigned, for term ending April 15, 1931. Reappointed April 15, 1931, for term ending April 15, 1937. Resigned, effective August 15, 1933.

JAMES P. PAINTER, lawyer, Milan, Mo., effective October 1, 1928, to succeed Thomas J. Brown, for unexpired term ending April 15, 1929.

MILTON R. STAHL, lawyer, St. Louis, Mo., effective May 29, 1929, to succeed D. F. Calfee, for term ending April 15, 1935. Designated Chairman of Commission, May 29, 1929, succeeding Almon Ing, Chairman. Resigned, effective August 11, 1933.

J. FRED HULL, editor, Maryville, Mo., effective May 29, 1929, to succeed James P. Painter, for term ending April 15, 1935. Resigned, effective January 17, 1934.

GEORGE H. ENGLISH, lawyer, Kansas City, Mo., effective June 15, 1931, to succeed S. M. Hutchison, for term ending April 15, 1937. Resigned, effective June 10, 1936.

J. C. COLLET, lawyer, Salisbury, Mo., effective April 26, 1933, to succeed Almon Ing, for term ending April 15, 1939. Designated Chairman on same date, succeeding Milton R. Stahl, Chairman. Resigned, effective September 1, 1935.

WILLIAM STOECKER, engineer, Webster Groves, effective August 11, 1933, to succeed Milton R. Stahl, for term ending April 15, 1935.

W. M. ANDERSON, lawyer, Harrisonville, Mo., effective August 15, 1933, to succeed J. H. Porter, resigned, for term ending April 15, 1937.

HARRY E. MCPHERSON, insurance, St. Joseph, Mo., effective January 17, 1934, to succeed J. Fred Hull, resigned, for term ending April 15, 1935.

JOHN S. BOYER, lawyer, St. Joseph, Mo., effective June 1, 1935, to succeed Harry E. McPherson, for term ending April 15, 1941.

SAM O. HARGUS, lawyer, Kansas City, Mo., effective September 1, 1935, to succeed J. C. Collet, resigned, for term ending April 15, 1939. Designated Chairman, effective same date.

ALBERT D. NORTONI, lawyer, St. Louis, Mo., effective April 16, 1936, to succeed William Stoecker, for term ending April 15, 1941. Died May 31, 1938.

JOHN A. FERGUSON, lawyer, Cape Girardeau, Mo., effective June 10, 1936, to succeed George H. English, resigned, for term ending April 15, 1937. Reappointed April 15, 1937, for term ending April 15, 1943.

J. D. JAMES, lawyer, Joplin, Mo., effective January 1, 1937, to succeed Sam O. Hargus, for term ending April 15, 1939. Designated Chairman, effective same date.

SCOTT WILSON, engineer and business man, Ferguson, Mo., effective August 15, 1938, to succeed W. M. Anderson, for term ending April 15, 1943.

MARION S. FRANCIS, lawyer, Mexico, Mo., effective August 15, 1938, to succeed the late Albert D. Nortoni, for term ending April 15, 1941.